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SUBJECT: MEDIA REACTION: U.S.-CHINA-TAIWAN RELATIONS

¶1. Summary: As the 2008 presidential election continued to remain in the spotlight of the Taiwan media, news coverage on July 17 also focused on a nationwide amnesty, under which around 10,000 inmates were released Monday. The pro-unification "United Daily News" ran a news story on page four with the headline "The United States Demands That Taiwan Abandon R&D of Its Offensive Missiles." A separate "United Daily News" story also quoted a U.S. "Defense News" report as saying that the terms under which Washington will sell Taiwan F-16 C/D fighter jets is for Taiwan to abandon its development of the Hsiungfeng 2E cruise missiles.

¶2. In terms of editorials and commentaries, a news analysis in the pro-unification "United Daily News" discussed the upcoming trips to the United States by DPP presidential candidate Frank Hsieh and KMT presidential candidate Ma Ying-jeou, respectively. The article said both Ma and Hsieh not only will have to prove to their voters that they highly value the Taiwan-centered awareness but will have to pledge to Washington that they will not cross the red line drawn by the United States. An editorial in the conservative, pro-unification, English-language "China Post" discussed an undeclared alliance formed by the European Union, the United States and China to thwart President Chen Shui-bian's plan to hold a referendum on Taiwan's UN bid under the name "Taiwan." An op-ed piece in the pro-independence, English-language "Taipei Times," written by an Australia-based writer, on the other hand, urged the United States to "reorient its military policies lest China end up filling the gap by default -- as is happening in the Asia Pacific." End summary.

A) "Diplomatic Battles between Ma and Hsieh Are a Condensed Version of the Blue and the Green Camps' Cross-Strait Policy"

Journalist Lee Ming-hsien noted in an analysis in the pro-unification "United Daily News" [circulation: 400,000] (7/17):

"Frank Hsieh is scheduled to depart for a visit to the United States this coming Friday, and if everything goes smoothly, Ma Ying-jeou will visit Washington again in September at the earliest. The fact that both Ma and Hsieh are trying to promote and expand Taiwan's relations [with the United States] is in reality a typical skirmish prior to the 2008 presidential poll. ...

"Ma had won high approval during his trip to the United States in March 2007, and his visit to the United States again this time in the capacity as a presidential candidate will naturally be viewed as a race with Hsieh. In particular, the results of Hsieh's trip to the United States this time will become an important indicator for the Blue camp -- namely, the key to determine whether Ma's U.S. trip in September will help to boost his campaign lies in whether Ma can prove to [Washington] that he is capable of adopting a more pragmatic and open-minded approach in terms of cross-Strait relations, and of unifying and creating a consensus among the Taiwan people.

"The fact that Hsieh's cross-Strait policy has become more conservative was related to the intense primary of the DPP. Hsieh will have to indicate clearly his support for the referendum on Taiwan's UN bid in an attempt to avoid a backlash from the party's fundamentalists. On the other hand, Ma proposed a referendum on Taiwan rejoining the United Nations in order to pander to the light-Green or even the nativist voters. The two proposed referenda are basically a condensed version of the Blue and the Green camps' cross-Strait policy.

"Washington, however, is concerned about whether in the subtle interaction among Washington, Beijing and Taipei, the fervent campaigning in Taiwan for the 2008 poll will result in a race of policies between Ma and Hsieh and thus trigger disturbances in the Taiwan Strait. This is one of the reasons why Washington has invited Ma and Hsieh to visit the United States. The diplomatic battlefield of both Ma and Hsieh is in reality their discourse on Taiwan's sovereignty, an issue that follows from the referenda on the island's UN bid. Ma and Hsieh will not only have to prove to their Taiwan voters that they highly value the Taiwan-centered awareness, but will have to pledge to the United States that they will not cross the red line drawn by Washington, regardless of how intense the campaign gets."

B) "Can the EU, U.S. Stop Chen?"

The conservative, pro-unification, English-language "China Post" [circulation: 30,000] editorialized (7/17):

"An undeclared alliance of the European Union (27 states), the United States and the People's Republic of China appears to be taking shape to thwart President Chen Shui-bian's plan to hold a referendum on Taiwan's United Nations bid alongside the island's 2008 presidential elections. ... The island republic is about to receive a stern EU injunction to act 'sensibly and responsibly' by

scrapping a planned referendum asking voters whether they would like the island to seek membership of the U.N. under its historic name, the 'Republic of China,' or just 'Taiwan.' ...

"America, which has many reasons to seek China's diplomatic goodwill, has publicly rebuked Taiwan over the referendum. The EU, in contrast, will stick to private warnings for the moment, to avoid 'playing into the hands' of Taiwan's 'populist' president, Chen Shui-bian, by giving him 'undesirable' publicity. ... U.N. membership for Taiwan is a long-lost cause, says the Economist, and Chen's referendum plan is at heart an electoral ploy ahead of next year's presidential poll. Meanwhile, Taipei's United Daily News reported Sunday that Washington is so angry at President Chen's U.N. referendum plan that it has halted the sale of 66 F-16C/D jetfighters to Taiwan. The U.S., an avowed defender of Taiwan, won't provide any ammunition for Chen, who will leave office next May."

C) "China filling up Military Power Gap Left by US"

Sushil Seth, a writer based in Australia, opined in the pro-independence, English-language "Taipei Times" [circulation: 30,000] (7/17):

"While the US is over-stretched in Iraq and increasingly mired in domestic politics, China is systematically modernizing and expanding its military capability. Its defense budget has seen double-digit annual increases in recent years. It is working to develop anti-satellite missile capability, as well as a nuclear submarine fleet equipped with long-range nuclear missiles. ... This has consequences not only for the US for the region. China might not yet be ready to directly challenge US military supremacy, but its military capability will increasingly make it difficult for the US to confront it without serious costs. In short, China's power is likely to progressively neutralize US military power. ...

"In the Asia-Pacific region, China is increasingly seen with a mixture of awe and admiration. Its rapid economic growth, its sheer size in economic and political terms and its growing military power appear to be overwhelming. With much of world news concentrated on the perceived US debacle in Iraq and a sense of its declining power, China increasingly appears to be the new rising superpower. It is

no wonder then that more and more countries in the region are accommodating themselves to this new 'reality,' while ignoring China's enormous social, economic and political problems and contradictions that make it very fragile. ... The US needs to reorient its military policies lest China end up filling the gap by default -- as is happening in the Asia Pacific."

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